

Message Text

CONFIDENTIAL

PAGE 01 VIENTI 01476 01 OF 02 050725Z

ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 IO-13 AID-05 COME-00 EB-08 FRB-03

TRSE-00 XMB-02 OPIC-03 LAB-04 SIL-01 OMB-01

AGRE-00 /111 W

-----084506 050735Z /11

R 050345Z NOV 77

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC 8682

INFO AMEMBASSY BANGKOK

AMEMBASSY PARIS

AMCONSUL HONG KONG

CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 VIENTIANE 1476

E.O. 11652 XGDS-4

TAGS: ECON, PGOV, SHUM, SREF, LA

SUBJECT: LPDR ECONOMIC PLANNING FOR 1978-80 UNDERWAY

CINCPAC FOR POLAD

REF: VIENTIANE A-30,

SUMMARY: EMBASSY HAS OBTAINED THE TEXT OF A DOCUMENT SIGNED BY KAYSONE PHOMVIHANE, LPRP GENERAL SECRETARY AND LPDR PRIME MINISTER. THE UNDATED DOCUMENT IS IDENTIFIED AS "DECREE NUMBER 67" AND CALLS FOR LPDR

ECONOMIC PLANNING FOR 1978-80. THE DOCUMENT SETS ECONOMIC PRIORITIES AND ASSIGNS RESPONSIBILITY FOR DRAFTING AND IMPLEMENTING OF PROJECTS. IT CONTAINS A SOMEWHAT SEPARATE DIRECTIVE FOR 1978, A YEAR WHICH IS INTENDED TO SERVE AS A MODEL FOR FUTURE ECONOMIC PLANNING. EXCERPTS OF THE DECREE HAVE BEGUN TO APPEAR IN THE VIENTIANE DAILY "VIENTIANE MAI". END SUMMARY

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENTI 01476 01 OF 02 050725Z

1. THE DECREE IS ADDRESSED TO ALL "COMRADE MINISTERS, CHIEFS OF MINISTERIAL LEVEL ORGANIZATIONS AND PRESIDENTS OF ALL PROVINCIAL ADMINISTRATIVE COMMITTEES." IT IS ENTITLED "WORK ON THE GOVERNMENT PLAN FOR 1978 AND RESEARCH FOR THE THREE YEAR PLAN 1978-80." ACCORDING TO THE DOCUMENT, THE DECREE WAS ISSUED IN ACCORDANCE WITH THE 4TH RESOLUTION OF THE LPRCC WHICH REQUIRED A "SURVEY AND

INSPECTION REGARDING THE SITUATION AND ACTIVITY IN 1977."

2. THE DECREE OFFERS "COMMENTS AND GUIDANCE" REGARDING THE SETTING OF LPDR ECONOMIC PRIORITIES FOR 1978-80:

A. IN THE AREA OF PRODUCTION IT EMPHASIZES PRODUCTION OF FOOD STUFFS WITH COMMENT THAT "AFTER 1980, WE WILL NOT PURCHASE FOOD STUFF FROM FOREIGN COUNTRIES." IT ALSO CALLS FOR AN INCREASE IN THE EXPORTATION OF WOODS AND COFFEE, MINERALS, AGRICULTURAL PRODUCTS, FORESTRY GOODS AND HANDICRAFTS. ALSO IN THE AREA OF PRODUCTION, IT CALLS FOR GENERAL IMPROVEMENT IN AGRICULTURAL PRODUCTION AND LIVING CONDITIONS, AN EXPANSION OF THE SYSTEM OF LABOR EXCHANGES AND THE CONSTRUCTION OF ADDITIONAL STATE AGRICULTURAL CENTERS. IT NOTES THAT "THERE SHOULD BE A PROJECT SET UP TO GATHER MANPOWER TO WORK ON AGRICULTURE AND ANIMAL RAISING DURING THE BEGINNING OF 1978 AND IN THE NEXT THREE YEARS." EXPLOITATION OF FOREST RESOURCES IS TO BE STATE CONTROLLED BY THE CENTRAL OR PROVINCIAL GOVERNMENTS WITH THE MINISTRY OF AGRICULTURE, FORESTRY AND IRRIGATION SPECIFICALLY COORDINATING HARVESTING OF LUMBER INTENDED FOR EXPORT.

B. THE DECREE ALSO SPEAKS OF THE NEED TO "Pursue SOCIALISM AND INCREASE GOVERNMENT ECONOMIC POWER SO AS TO INCREASE NATIONAL PRODUCTION IN 1980 (AS A PRELUDE TO) THE FIVE YEAR PROJECT OF 1981-85". TO THIS END THE DECREE CALLS FOR A "RESTRUCTURING" OF THE ECONOMIC SYSTEM INCLUDING:
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 VIENTI 01476 01 OF 02 050725Z

(1) A RESTRUCTURING OF THE LAO COMMERCIAL SECTOR AS WELL AS A RESTRUCTURING OF THE PRIVATE TRANSPORTATION SYSTEM, BOTH TO BE ACHIEVED BY THE END OF 1978;

(2) GOVERNMENT OWNERSHIP OF PRIVATE INDUSTRY BY 1980 "ACCORDING TO PARTY AND GOVERNMENT POLICY."

C. IN A CALL FOR "BASIC CONSTRUCTION" THE DOCUMENT STATES THAT THE LPDR SHOULD RELY ON "LAO LABOR" AND FOREIGN AID IN EXPANDING AGRICULTURE, FORESTRY, LOCAL INDUSTRIES, THE TRANSPORTATION NET, WAREHOUSE FACILITIES, HOSPITALS, AND SCHOOLS. THIS IS ALL SEEN AS IMPORTANT AS A BASIS FOR SUBSEQUENT "INDUSTRIAL CONSTRUCTION." THE DOCUMENT ALSO STATES "WE MUST CONTINUE THE SURVEY FOR AND HAN TO CONSTRUCT THE RAILROAD."

D. IN THE EDUCATION AND "CULTURE" FIELDS THE DOCUMENT CALLS FOR ERADICATION OF ILLITERACY BY 1979 AND THE SENDING OF LAO STUDENTS TO "FRATERNAL COUNTRIES" FOR EDUCATION. IN THE "CULTURAL" AREA THE DECREE CALLS FOR "ADVANCING THE IDEA AND CULTURE OF THE REVOLUTION...TO SERVE THE RESTRUCTURING OF THE ECONOMY."

E. CONCERNING PUBLIC HEALTH THE DOCUMENT SAYS THAT THERE IS A NEED TO EXPAND DISTRICT HOSPITALS AND MIDWIFE FACILITIES AT THE SUB-DISLJCT LEVEL; TRAIN NURSES, EXPAND PRODUCTION OF MEDICINES AND IMPROVE THE DISTRIBUTION OF MEDICINES FROM FOREIGN COUNTRIES.

3. RESPONSIBILITY FOR IMPLEMENTING THE 1978-80 ECONOMIC PLAN IS SHARED BY GOVERNMENT MINISTRIES, PROVINCIAL ADMINISTRATIONS, THE NATIONAL PLANNING COMMITTEE AND ULTIMATELY THE LPRCC POLITBURO AND THE COUNCIL OF MINISTERS. EVERY PROVINCE IS REQUIRED TO MAKE A PRELIMINARY 1978 PROJECT PLAN AND SUMBIT IT TO THE NATIONAL PLANNING COMMITTEE BY THE END OF NOVEMBER 1977. THE NATIONAL PLANNING COMMITTEE IN CONJUNCTION WITH THE MINISTRIES WILL REVIEW THE PROJECTS WITH THE VARIOUS PROVINCIAL ADMINISTRATINS AND AT THE END OF DECEMBER SUBMIT THESE PROJECTS
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 VIENTI 01476 01 OF 02 050725Z

TO THE SECRETARIAT OF THE LPRCC AND TO THE COUNCIL OF MINISTERS. (THE PROJECTS OF VIENTIANE, CHAMPASSAK, SAVANNAKHET, KHAMGRANNE AND SAYABOURY WILL RECEIVE SPECIAL ATTENTION.)

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 VIENTI 01476 02 OF 02 050727Z

ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-05 H-01

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 IO-13 AID-05 COME-00 EB-08 FRB-03

TRSE-00 XMB-02 OPIC-03 LAB-04 SIL-01 OMB-01

AGRE-00 /111 W

-----084474 050735Z /11

R 050345Z NOV 77

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC 8683

INFO AMEMBASSY BANGKOK

AMEMBASSY PARIS

AMCONSUL HONG KONG

CINCPAC

C O N F I D E N T I A L SECTION 2 OF 2 VIENTIANE 1476

4. ONCE THE "GOVERNMENT" HAS APPROVED THE PROJECTS IT WILL

FORMALLY ASSIGN THE PROJECTS TO THE PROVINCES AND PROVIDE FUNDS, EQUIPMENT, MATERIAL, COMMODITIES AND SOME MANPOWER TO FACILITATE THE PROJECTS' IMPLEMENTATION. IN SOME "IMPORTANT AREAS" SUCH AS AGRICULTURAL PRODUCTION AND THE PURCHASE AND DISTRIBUTION OF GOODS THE NATIONAL PLANNING COMMITTEE AND THE RELEVANT MINISTRIES WILL COMBINE TO PRESENT REPORTS TO THE LPRPCC AND THE COUNCIL OF MINISTERS' "ECONOMIC COMMITTEE".

5. COMMENT: THE DECREE CHARTS AN AMBITIOUS COURSE FOR THE LPDR OVER THE NEXT THREE YEARS. WHILE THE DOCUMENTS LIST FEW SPECIFIC OBJECTIVES (ERADICATION OF ILLITERACY BY 1979 AND SELF-SUFFICIENCY IN FOOD BY 1980 ARE PROBABLY BOTH UNREALISTIC) THE VERY RANGE OF AREAS DESIGNATED FOR IMPROVEMENT APPEARS TO ASSURE A FRITTERING AWAY OF THE LPDR'S VERY LIMITED RESOURCES.

6. COMMENT: PLANS TO "GATHER MANPOWER TO WORK ON AGRICULTURAL SITES" AND TO "RESTRUCTURE THE ECONOMY" SO AS TO ELIMINATE THE "PRIVATE" FACTOR IN COMMERCIAL TRADE, TRANSPORT-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENTI 01476 02 OF 02 050727Z

TATION AND INDUSTRIAL SECTORS OF THE ECONOMY PRESAGE MORE PRESSURE ON THE POPULATION PRESUMABLY ASSURING A CONTINUING EXODUS OF REFUGEES.

7. COMMENT: THE FLOW CHART FOR DECISION MAKING PROVIDED BY THE INFORMATION CONTAINED PARA 3 AND 4 OFFERS LITTLE DETAIL BUT IS NONETHELESS INTERESTING. THE LPRPCC APPEARS TO HAVE A FORMAL ROLE IN THE GOVERNMENT PROCESS ACTING IN CONCERT WITH THE "COUNCIL OF MINISTERS" NOTWITHSTANDING THE FACT THAT THE FIVE MEMBERS OF THE "COUNCIL OF MINISTERS" ARE ALSO MEMBERS OF THE SEVENMAN LPRPCC POLITBURO.

8. COMMENT: EMBASSY TRANSLATION OF "DECREE NO. 67" BEING POUCHED BY AIRGRAM.
CORCORAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DOCUMENTS, ECONOMIC PROGRAMS, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 05-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977VIENTI01476
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X4
Errors: N/A
Expiration:
Film Number: D770408-0362
Format: TEL
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771191/aaaaczvw.tel
Line Count: 209
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 12759521-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 VIENTIANE A-30
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 700429
Secure: OPEN
Status: NATIVE
Subject: LPDR ECONOMIC PLANNING FOR 1978-80 UNDERWAY CINCPAC FOR POLAD
TAGS: ECON, PGOV, SHUM, SREF, LA, LPDR, (KAYSONE PHOMVIHANE)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/12759521-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009